



Legislation Details (With Text)

File #: 2800-2016 **Version:** 1
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File created: 10/28/2016 **In control:** Finance Committee
On agenda: 12/5/2016 **Final action:** 12/7/2016

Title: To authorize the Director of Finance and Management to execute those documents necessary to enter into a Fourth Amendment To Lease Agreement with Empire Real Estate Holdings, LLC; to modify the renewal term and the rent for the Lease of office and warehouse space located at 2028 Williams Road; to issue a purchase order for the payment of rent for the modified renewal term; and to authorize the expenditure of \$68,041.75 from the General Fund. (\$68,041.75)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ordinance 2800-2016 Legislation Attachment

Date	Ver.	Action By	Action	Result
12/7/2016	1	CITY CLERK	Attest	
12/7/2016	1	MAYOR	Signed	
12/5/2016	1	COUNCIL PRESIDENT	Signed	
12/5/2016	1	Columbus City Council	Approved	Pass
11/21/2016	1	Columbus City Council	Read for the First Time	

Background: The City has leased approximately 36,879 square feet of office/warehouse space located at 2028 Williams Road since November, 2002 to house the central warehouse operations of the Division of Fire. The current Lease Agreement (“Lease”), as modified by three amendments, has one remaining one (1) year automatic renewal commencing February 1, 2017 and terminating January 31, 2018. The Division of Fire’s central warehouse operations will move to the City’s 4252 Groves Road property upon the completion in early 2017 of site and building renovations currently under construction. Based on the estimated construction completion date for Groves Road, it is anticipated that the warehouse operation will move from Williams Road in the second quarter of 2017. Consequently the City needs only a six-month renewal rather than the one (1) year renewal term provided for in the Lease.

The City and Empire Real Estate Holdings, LLC desire to enter into a fourth amendment of the Lease to modify the one (1) year automatic renewal term to a six (6) month renewal term commencing February 1, 2017 and terminating July 31, 2017, and to establish the rent for the six-month renewal term at \$68,041.75 (\$3.69 per square foot) payable in two (2) equal quarterly installments of \$34,020.87. All other terms, conditions, and provisions of the Lease will remain unchanged.

This legislation authorizes the Director of Finance and Management to execute a fourth amendment to the current Lease to modify the term and rent for the lease of office/warehouse space located at 2028 Williams Road, and authorizes the expenditure of \$68,041.75 from the Finance and Management, Real Estate Management Office 2016 General Fund for payment of the rental cost associated with the six (6) month renewal term that begins on February 1, 2017 and terminates July 31, 2017.

Fiscal Impact: This ordinance expends \$68,041.75 from the Finance and Management, Real Estate Management Office

2016 General Fund for payment of the rental cost associated with the six (6) month renewal term that begins February 1, 2017 and terminates July 31, 2017. Funding is provided for and is available in the Real Estate Management Office 2016 General Fund budget.

To authorize the Director of Finance and Management to execute those documents necessary to enter into a Fourth Amendment To Lease Agreement with Empire Real Estate Holdings, LLC; to modify the renewal term and the rent for the Lease of office and warehouse space located at 2028 Williams Road; to issue a purchase order for the payment of rent for the modified renewal term; and to authorize the expenditure of \$68,041.75 from the General Fund. (\$68,041.75)

WHEREAS, the City entered into a Lease Agreement with Empire Real Estate Holdings, LLC. dated February 12, 2009 for the lease of approximately 36,879 square feet of office/warehouse space within a building located at 2028 Williams Road that was amended by a First Amendment To Lease Agreement, dated January 10, 2012, by a Second Amendment To Lease, dated January 28, 2014, and further amended by a Third Amendment To Lease Agreement, dated November 30, 2015; and

WHEREAS, it is necessary to enter into a fourth amendment to the current Lease Agreement to modify the remaining one (1) year automatic renewal term to a six (6) month renewal term, and to establish the rent for the six-month renewal at \$68,041.75 payable in two (2) equal quarterly installments of \$34,020.87 for the lease of office/warehouse space located at 2028 Williams Road; and

WHEREAS, funding is provided for and available in the Finance and Management, Real Estate Management Office 2016 General Fund budget for the payment of rent for the six (6) month renewal term of the Lease commencing February 1, 2017 and terminating July 31, 2017; and

WHEREAS, it has become necessary in the usual daily operation of the Department of Finance and Management to authorize the Director to modify the lease and authorize the expenditure of \$68,041.75 from the Finance and Management, Real Estate Management Office 2016 General Fund budget for the payment of rent for the six (6) month renewal term that begins on February 1, 2017; now therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS

SECTION 1. That the Director of Finance and Management be, and hereby is authorized to execute those documents as approved by the Department of Law, Real Estate Division, necessary to enter into a Fourth Amendment to Lease Agreement with Empire Real Estate Holdings, LLC, to modify the remaining one (1) year automatic renewal term of the Lease of office/warehouse space located at 2028 Williams Road to a six (6) month renewal term commencing February 1, 2017 and terminating July 31, 2017, and to establish the rent for the six-month renewal term at \$68,041.75, payable in two (2) equal quarterly installments of \$34,020.87.

SECTION 2. That the Director of Finance and Management be, and hereby is authorized to expend \$68,041.75, or so much thereof that may be necessary, to pay the rental cost for the six-month renewal term that begins February 1, 2017 from the Finance and Management, Real Estate Management Office 2016 General Fund as follows:

See attached file: Ordinance 2800-2016 Legislation Attachment.xls

SECTION 3. That the City Auditor is authorized to make any accounting changes necessary to ensure that this expenditure is properly accounted for and recorded accurately on the City's financial records.

SECTION 4. That the funds necessary to carry out the purposes of this ordinance are hereby appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

